



S.R. MacLeod

Region Operations Manager
Buffalo #1600

June 11, 1997

TO: 1622 SR's
1623 SR's
1626 SR's

RE: **SALEM \$0.30 TEAR TAPE PROGRAM**

Ladies & Gentlemen:

As a follow-up to my previous communication in reference to the above program, beginning in July and continuing through December the company will be defending Salem's volume at a PV rate of 33% discounted volume nationally in C-Gas on grid for Salem where possible.

In an effort to accomplish our objective, the ROU has identified Independent retail accounts with the below listed criteria to execute our Salem Tear Tape product:

- 1) *Independent accounts doing 75 or more cartons weekly (SIS)*
- 2) *Account has a VAP supplier*
- 3) *Segment Type: P Convenience, P Gas/Kiosk, P Gas Station*
- 4) *Does not include RJR lockout and PM exclusive accounts*

The attached listing of retail stores represents those accounts within your assignment that will begin receiving Salem Tear Tape product during the week of July 14, 1997. Also enclosed for your use is a store specific Salem Tear Tape form detailing quantities by brand style. This form should be utilized to educate the retailer in advance of our program, plus, it should be utilized as account verification and receipt of tear tape product for payment to retailer of \$0.30 off per pack based upon quantities received. Special payment code: SAL SNIPE .30 C/G Rate: \$0.30 should be utilized.

Remember, tear tape product will be invoiced to both direct account and retailer at full revenue. It will be your responsibility to pay retail accounts at a rate of \$0.30 off per pack based on quantities received!

Please realize that not all independent retail accounts with the above referenced criteria are represented for various reasons. It will be your responsibility to implement alternative methods to defend Salem in accordance with our Price Gap Defense Plan.

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As previously communicated, a 40 pack display (shipper/item #530123) will be shipped to each store on the attached listing in July and again in October (1st month of each quarter). Every attempt should be made to maintain Salem display/presence ongoing. To facilitate display presence, a \$10.00 payment will be made available. Poqet/Laptop designation is: **SAL SNIPE DISPLAY Rate: \$10.00/month**, to be paid at store level. Throughout this program, you have to ability to order replacement Salem 40 pack displays (item #530123) as necessary.

Quantities by store have been calculated in accordance with our Region Price Gap Defense guidelines based upon SIS information (industry volume) by utilizing Region's Marlin Share for Salem. The point is that the quantities by account are not exact but are sufficient enough for executional purposes of this program.

Should you have any questions, please contact me.

Sincerely,

Stephen

S.R. MacLeod
ROM/#1610
:etb

cc: W.J. Roth - *cover letter only*
F.V. Natale - *cover letter only*
DMs/RMs (except 1638) - *cover letter only*

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